

E-015/GR-94-001 ORDER ACCEPTING FILING AND SUSPENDING RATES

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm
Tom Burton
Marshall Johnson
Cynthia A. Kitlinski
Dee Knaak

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Application
of Minnesota Power for Authority
to Change its Schedule of Rates
for Retail Electric Service in
the State of Minnesota

ISSUE DATE: February 7, 1994

DOCKET NO. E-015/GR-94-001

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PROCEDURAL HISTORY

On January 3, 1994 Minnesota Power filed a petition seeking a general rate increase of \$34,348,800, or 11.78%, effective March 4, 1994. In a memorandum issued January 4, the Commission asked interested persons to file comments on whether the Commission should accept the filing as substantially in compliance with applicable filing requirements and whether the matter should be referred to the Office of Administrative Hearings for contested case proceedings.

The Department of Public Service (the Department) filed comments which recommended accepting the filing and referring the case for contested case proceedings. Blandin Paper Company and an association of taconite producers¹ recommended contested case proceedings.

The matter came before the Commission on January 27, 1994.

FINDINGS AND CONCLUSIONS

Having examined the filing and having considered the comments of the parties, the Commission finds that the filing substantially complies with the statute, Minn. Stat. § 216B.16 (1992), and the applicable rules, Minn. Rules, parts 7825.3100 through 7825.4600. This is a finding as to form only; it implies no judgment on the merits of the application.

¹ The members of the association are the Hibbing Taconite Joint Venture, the Eveleth Taconite Company, the Eveleth Expansion Company, USX Corporation, and the Inland Steel Mining Company.

By separate Order the Commission has found that contested case proceedings are necessary for adequate examination of the merits of the application. See NOTICE AND ORDER FOR HEARING entered in this docket on this date. Although the Company's filing meets the statutory requirements to begin a rate case proceeding, intervening parties may need further information to evaluate the Company's proposed rate increase. Similarly, the Company may need further information to analyze other parties' positions. The Commission will therefore require the Company and other parties to produce additional information within ten days of service of any information request by the Department or any other party.

Under Minn. Stat. § 216B.16, subds. 1 and 2 (1992), the rates proposed by the Company become effective 60 days from filing, unless they are suspended by the Commission. The Commission finds that it cannot resolve all issues regarding the reasonableness of the proposed rates within this 60 day period and that the public interest requires suspension. The Commission will establish interim rates for the suspension period, under Minn. Stat. § 216B.16, subd. 3 (1992), by separate Order.

ORDER

1. The January 3, 1994 rate increase petition of Minnesota Power is accepted as being in proper form and substantially complete.
2. All parties to this proceeding may serve information requests on any other party. Information requests shall be answered within ten days of receipt.
3. The operation of the proposed rate schedule is hereby suspended under Minn. Stat. § 216B.16, subd. 2 (1992), until the Commission has issued a final determination in this case.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)